

*Instrument prepared by:***VIRGINIA GAS AND OIL BOARD***Order recorded under:***CODE OF VIRGINIA
§ 45.1-361.26****BEFORE THE VIRGINIA GAS AND OIL BOARD****RELIEF SOUGHT:** An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)**JURISDICTION:** *Code of Virginia* § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)UNIT/WELL NAME: AX-117
TRACT(S): Tract 2A
LOCATION: Russell County, Virginia**DOCKET NUMBER:** VGOB-03-0715-1159-01**APPLICANTS:** CNX Production Company on behalf of Swords Creek Land Partnership and
Beulah Brown, Ralph Reedy and Ella Cook**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia
February 21, 2012**APPEARANCES:** Mark Swartz on behalf of CNX and Sharon M. B. Pigeon, Sr. Assistant Attorney
General for the Virginia Gas and Oil Board.**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 08/12/03, Recorded 08/15/03, Deed Book 590
2. Supplemental Order Executed 06/30/04, Recorded 07/12/04, Deed Book 0613

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the February 21, 2012 hearing and consider whether to:

(1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 2A identified in the attached miscellaneous petition.

(2) Delete the requirement that the Unit Operator place future royalties attributable to Tract 2A relative to the interests of the Applicants identified in the attached miscellaneous petition.

(3) Continue the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 2A is Swords Creek Land Partnership for the subject drilling unit.
2. The owner of the gas estate for a portion of Tract 2A are Beulah Brown, Ralph Reedy and Ella Cook for the subject drilling unit.

RELIEF GRANTED:

VGOB Approved Disbursement
VGOB 03-0715-1159-01
AX-117

Table 1
A Portion Offracts 2A

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acctg: Ownership in Tract	Royalty Split Agreement	Escrowed Acctg Disbursal	Percent of Escrowed Funds Disbursed
		Total income in escrow before disbursement				0.1338	
	2A	Jenshine White et al (Oil & Gas)					
1	2A	Bush Brown 4723 Lona Springs Rd., Swords Creek, VA 24649	1/26	0.006	50.0%	0.0029	2.1559%
2	2A	Ralph reedy P.O. Box 330, Davis, WV 24637	1/52	0.003	50.0%	0.0014	1.0780%
3	2A	Elin Ruth Cook P. O. Box 71, Cuckoo, WV 24827	1/52	0.003	50.0%	0.0014	1.0780%
4	2A	Swords Creek Land Partnership Coal P. O. Box 59, Tazewell, VA 24681	combined	0.012	50.0%	0.0058	4.3118%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED.**

APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 24 day of June, 2012, by a majority of the Virginia Gas and Oil Board.


Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

DONE AND PERFORMED this 24th day of June, 2012 BY Order of the Virginia Gas and Oil Board.

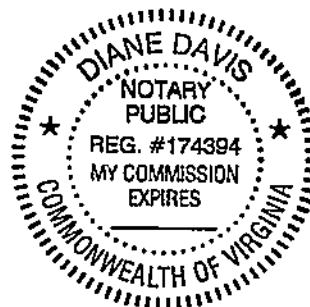

Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL)

Acknowledged on this 24 day of June, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.


Diane J. Davis, Notary Public #174394

My commission expires: 09/30/2013



PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 03-0715-1159-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 2A
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: February 21, 2012

DRILLING UNIT: AX-117

RUSSELL COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, SWARTZ LAW OFFICES, PLLC., 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 2A as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the parties to the royalty split between Swords Creek Land Partnership and Frances O. Brown, Beulah Brown, Ralph Reedy & Ella Ruth Cook

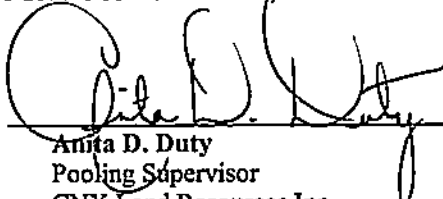
3. Legal Authority: Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of well(s): Coalbed methane.

5. Factual basis for relief requested Swords Creek Land Partnership and Frances O. Brown, Beulah Brown, Ralph Reedy & Ella Ruth Cook have entered into royalty split agreement(s). Said royalty split agreement allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 
Anita D. Duty
Pooling Supervisor
CNX Land Resources Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701

PROPERTY LINES SHOWN WERE TAKEN FROM PLATS PROVIDED
BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

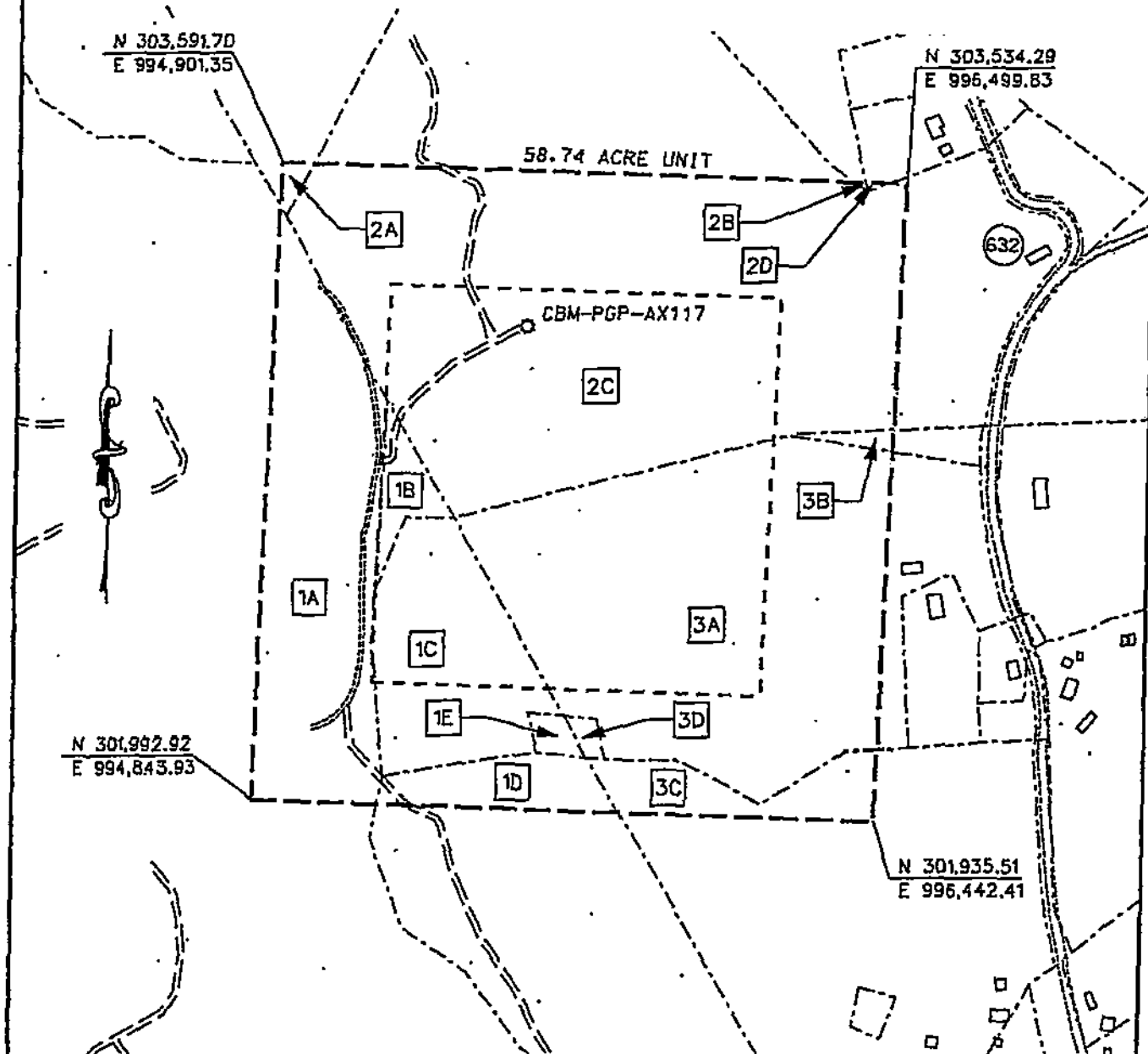


EXHIBIT A
MIDDLE RIDGE 1 FIELD
UNIT AX-117
FORCE POOLING
VGOB-03-0715-1159

Company CNX Gas Company LLC Well Name and Number UNIT AX-117
Tract No. _____ Elevation _____ Quadrangle Handker
County Russell District New Garden Scale: 1" = 400' Date 5/25/03
This plot is a new plot X : on an updated plot _____ : or a final plot _____

Form D60-GO-7
Rev. 9/91

Charles D. May
Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

CNX GAS COMPANY LLC

Unit AX-117

Tract Identifications
(58.74 Acre Unit)

1. Buckhorn Coal Company - Tr. 7 - All Minerals
Consolidation Coal Company - Below Drainage Coal Leased
CNX Gas Company LLC - Above Drainage Coal Leased Except Kennedy Seam
H. C. Bostic Coal Company - Kennedy Seam Leased
CNX Gas Company LLC - CBM Leased
Reserve Coal Properties Company - Oil and Gas Leased
16.27 acres - 27.6983 %

- 1A. Buckhorn Coal Company - Tr. 7 - Surface
- 1B. Jearldine Whited - Surface
- 1C. Beulah Brown - Surface
- 1D. Raffy Dye - Surface
- 1E. Cemetery - Unknown Surface Owner

- 2A. Swords Creek Land Partnership - Tr. 17 - Coal
Reserve Coal Properties Company - Below Tiller Coal Leased
CNX Gas Company LLC - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
M. P. Whited Heirs, devisees, successors or assigns - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
0.15 acres 0.2554 %

- 2B. Swords Creek Land Partnership - Tr. 17 - Coal
Reserve Coal Properties Company - Below Tiller Coal Leased
CNX Gas Company LLC - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
James A. Hale, et ux. - Surface and All Minerals except Coal
0.01 acres 0.0170 %

- 2C. Swords Creek Land Partnership - Tr. 17 - Coal
Reserve Coal Properties Company - Below Tiller Coal Leased
CNX Gas Company LLC - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Jearldine Whited - Surface and All Minerals except Coal
CNX Gas Company LLC - Oil, Gas and CBM Leased
23.96 acres 40.7899 %

- 2D. Swords Creek Land Partnership - Tr. 17 - Coal
Reserve Coal Properties Company - Below Tiller Coal Leased
CNX Gas Company LLC - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
Tivis P. Brown, et ux. or James A. Hale, et ux. - Surface and All Minerals except Coal
0.02 acres 0.0341 %

Cp

CNX GAS COMPANY LLC

Unit AX-117

**Tract Identifications
(58.74 Acre Unit)**

- 3. Swords Creek Land Partnership - Tr. 18 - All Minerals
Reserve Coal Properties Company - Below Tiller Coal Leased
CNX Gas Company LLC - Tiller and Above Coal Leased
CNX Gas Company LLC - CBM Leased
18.33 acres 31.2053 %
- 3A. Beulah Brown - Surface
- 3B. Jearidine Whitad - Surface
- 3C. Rafty Dye - Surface
- 3D. Cemetery - Unknown Surface Owner

Revision

Exhibit E
Unit AX117
Docket #VGOB 03-0715-1159-01
List of Conflicting Owners/Claimants that require escrow

BOOK - 750 PAGE 0224

	Acres In Unit	Interest In Unit
<u>Tract #2A, 0.15 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership (Tr. 17 - M. P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.15 acres	0.2554%
<u>OIL & GAS OWNERSHIP</u>		
(1) Jeraldine Whited, et al. (formerly - M.P. Whited et ux. Heirs, Devisees, Successors or Assigns)	0.15 acres	0.2554%
(b) Pauline & Manuel McPherson Heirs, Devisees, Successors or Assigns		
(b.1) Roger McPherson P.O. Box 1222 Wise, VA 24293	0.003 acres 1/52 of 0.15 acres	0.0049%
(c) Audrey Franklin 146 Johnson Street Weber City, VA 24290	0.003 acres 1/52 of 0.15 acres	0.0049%
(d) Eveline Whited & John Franklin Heirs, Devisees, Successors or Assigns		
(d.1) John Glen Franklin 250 Click Town Road Church Hill, TN 37642	0.003 acres 1/52 of 0.15 acres	0.0049%
(e) Roby & Naomi Whited Heirs, Devisees, Successors or Assigns		
(e.1) Linkous Whited Rt.2 Box 100 Honaker, VA	0.012 acres 1/13 of 0.15 acres	0.0196%
(e.2) McKinley Whited P.O. Box 1079 Raven, VA 24639	0.012 acres 1/13 of 0.15 acres	0.0196%
(e.3) Virginia Phipps HCR 63 Box 53 Jewell Ridge, VA 24622	0.012 acres 1/13 of 0.15 acres	0.0196%
(e.4) Hubert Whited 3120 St. Rt.98 Bucyrus, OH 44820	0.012 acres 1/13 of 0.15 acres	0.0196%
(f) Thelma Whited Heirs, Devisees, Successors or Assigns <i>Verified verbally that she is deceased without children, confirmation forthcoming.</i>	0.003 acres 1/52 of 0.15 acres	0.0049%

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Exhibit E
Unit AX117
Docket #VGOB 03-0715-1159-01
List of Conflicting Owners/Claimants that require escrow

BOOK - 750 PAGE 0225

	Acres in Unit	Interest in Unit
(g) Lucy Whited & W.H. Brown Heirs, Devisees, Successors or Assigns		
(g.1) Kyle Brown Heirs, Devisees, Successors or Assigns		
(g.1.1) Frances O. Brown 39 Jamison Drive Swords Creek, VA 24649	0.006 1/26 of 0.15 acres	0.0098%
(g.4) Idinia Perkins, Heirs, Devisees Successors or Assigns		
(g.4.1) Joann Squires 652 South Main Street Mansfield, OH 44907	0.001 acres 1/104 of 0.15 acres	0.0025%
(g.4.2) Bonnie Rugh Hoskins 2206 North Bowman Street Mansfield, OH 44903	0.001 acres 1/104 of 0.15 acres	0.0025%
(g.4.3) Ronald Perkins 1003 N. Trimble Rd. Mansfield, OH 44906	0.001 acres 1/104 of 0.15 acres	0.0025%
(g.4.4) Donnie Perkins 1003 North Trimble Road Mansfield, OH 44906	0.001 acres 1/104 of 0.15 acres	0.0025%
(h) Charley Whited Address Unknown	0.012 acres 1/13 of 0.15 acres	0.0196%
(i) H.C. Bostic Coal Company P.O. Box 220 Swords Creek, VA 24649	0.012 acres 1/13 of 0.15 acres	0.0196%

Tract #2B, 0.01 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership (Tr. 17 - M. P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.01 acres	0.0170%
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OIL & GAS OWNERSHIP

(1) James A. Hale, et ux. 4997 Lynn Springs Rd. Swords Creek, VA 24649	0.01 acres	0.0170%
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Exhibit E
Unit AX117
Docket #VGOB 03-0715-1159-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Interest in Unit
<u>Tract #2D, 0.02 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership (Tr. 17 - M. P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.02 acres	0.0340%
<u>OIL & GAS OWNERSHIP</u>		
(1) Tivis P. Brown, et ux. 4991 Lynn Springs Rd. Swords Creek, VA 24649	0.02 acres	0.0340%
- OR -		
(1) James A. Hale, et ux. 4997 Lynn Springs Rd. Swords Creek, VA 24649	0.02 acres	0.0340%

Exhibit EE
Unit AX-117
Docket #VGOB 03-0715-1159-01
List of Conflicting Owners/Claimants with Royalty Split Agreements
(58.74 Acre Unit)

BOOK - 750 PAGE 0227

	Acres in Unit	Interest in Unit	Percent of Escrow
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Tract #2A, 0.15 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership (Tr. 17 - M. P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	0.15 acres	0.2554%	4.3118%
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OIL & GAS OWNERSHIP

(1) M.P. Whited Heirs, Devisees, Successors or Assigns	0.15 acres	0.255%	
(a) Jeraldine Whited 4881 Lynn Springs Road Swords Creek, VA 24649	0.046 4/13 of 0.15 acres	0.079%	n/a
(g) Lucy Whited & W.H. Brown Heirs, Devisees, Successors or Assigns			
(g.2) Beulah Brown 4723 Lynn Springs Road Swords Creek, VA 24649	0.006 1/26 of 0.15 acres	0.010%	2.1559%
(g.3) Ada Reedy Heirs, Devisees, Successors or Assigns			
(g.3.1) Ralph Reedy PO Box 330 Davin, WV 25617	0.003 1/52 of 0.15 acres	0.005%	1.0780%
(g.3.2) Ella Ruth Cook PO Box 71 Cyclone, WV 24827	0.003 1/52 of 0.15 acres	0.005%	1.0780%

Tract #2C, 23.97 acres

COAL OWNERSHIP

(1) Swords Creek Land Partnership (Tr. 17 - M. P. Whited 72.53 Acre Tract) P.O. Box 29 Tazewell, VA 24651	23.96 acres	40.7899%	n/a
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OIL & GAS OWNERSHIP

(1) Jeraldine Whited 4881 Lynn Springs Road Swords Creek, VA 24649	23.96 acres	40.790%	n/a
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Exhibit A-1
Tract-by-Tract Escrow Calculation
Account Balances as of 12/31/11

Unit AX-117
 VGOB 03-0715-1159-01
 Acres Escrowed: 0.133800

BOOK - 750 PAGE 0228

Owners	Tract #	Acres	Owner Acres	Interest	Owners' Percent of Escrow (50%)	Amount Due Owners \$920.43
Swords Creek Land Partnership - Coal	2A	0.103800			4.3118%	\$39.69
Jeraldine Whited, et al- O&G		0.15				
Beulah Brown			0.006	1/26	2.1559%	\$19.84
Ralph Ready			0.003	1/52	1.0780%	\$9.92
Ella Ruth Cook			0.003	1/52	1.0780%	\$9.92

Wells contributing to the escrow account:

AX117 & AX117A

1201532

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT OF RUSSELL COUNTY, 7-19 2012. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 12:59 o'clock P M, after payment of \$ tax imposed by Sec. 58.1-802.

TESTE: ANN S. McREYNOLDS, CLERK

Original returned this date to: Diane Davis

BY: Sheila Keton D. CLERK